

1339

090002588

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER
VGOB 05-1018-1511

ELECTIONS: UNIT FF-15
(herein Subject Drilling Unit)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on February 2, 2006 which was recorded at Document Number 06-0000401 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on February 7, 2006, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit FF-15;

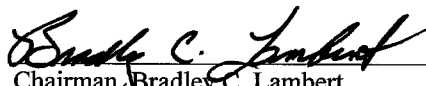
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, Attn: Derrick Dewalt or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

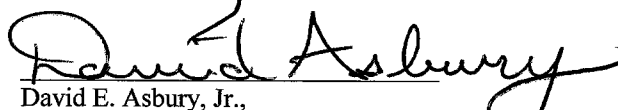
Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 20 day of July, 2009, by a majority of the Virginia Gas and Oil Board.

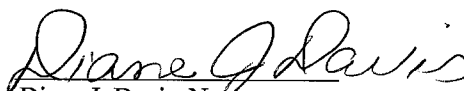

Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 20 day of July, 2009, by Order of the Board.


David E. Asbury, Jr.,
Principal Executive to the Staff of the Board

STATE OF VIRGINIA
COUNTY OF ~~WASHINGTON~~

Russell 20th day of July, 2009, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.


Diane J. Davis, Notary
174394

My commission expires: September 30, 2009



VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit FF-15
VGOB 05-1018-1511 in the Hurricane District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein A Designated Operator) REGARDING ELECTIONS,
ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Gas Company LLC, as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on February 2, 2006, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on February 7, 2006;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of February 2, 2006;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into

a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

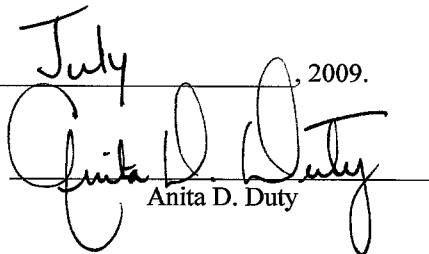
None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

See attached Exhibit EE

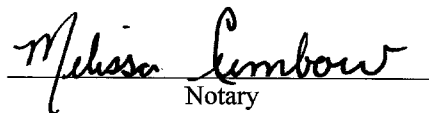
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 1st day of July, 2009.

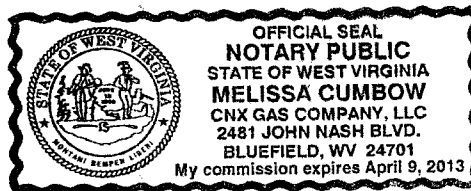

Anita D. Duty

STATE OF WEST VIRGINIA
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Gas Company LLC, on behalf of the corporate Designated Operator, this 1st day of July, 2009.


Notary

My commission expires: April 9, 2013



PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

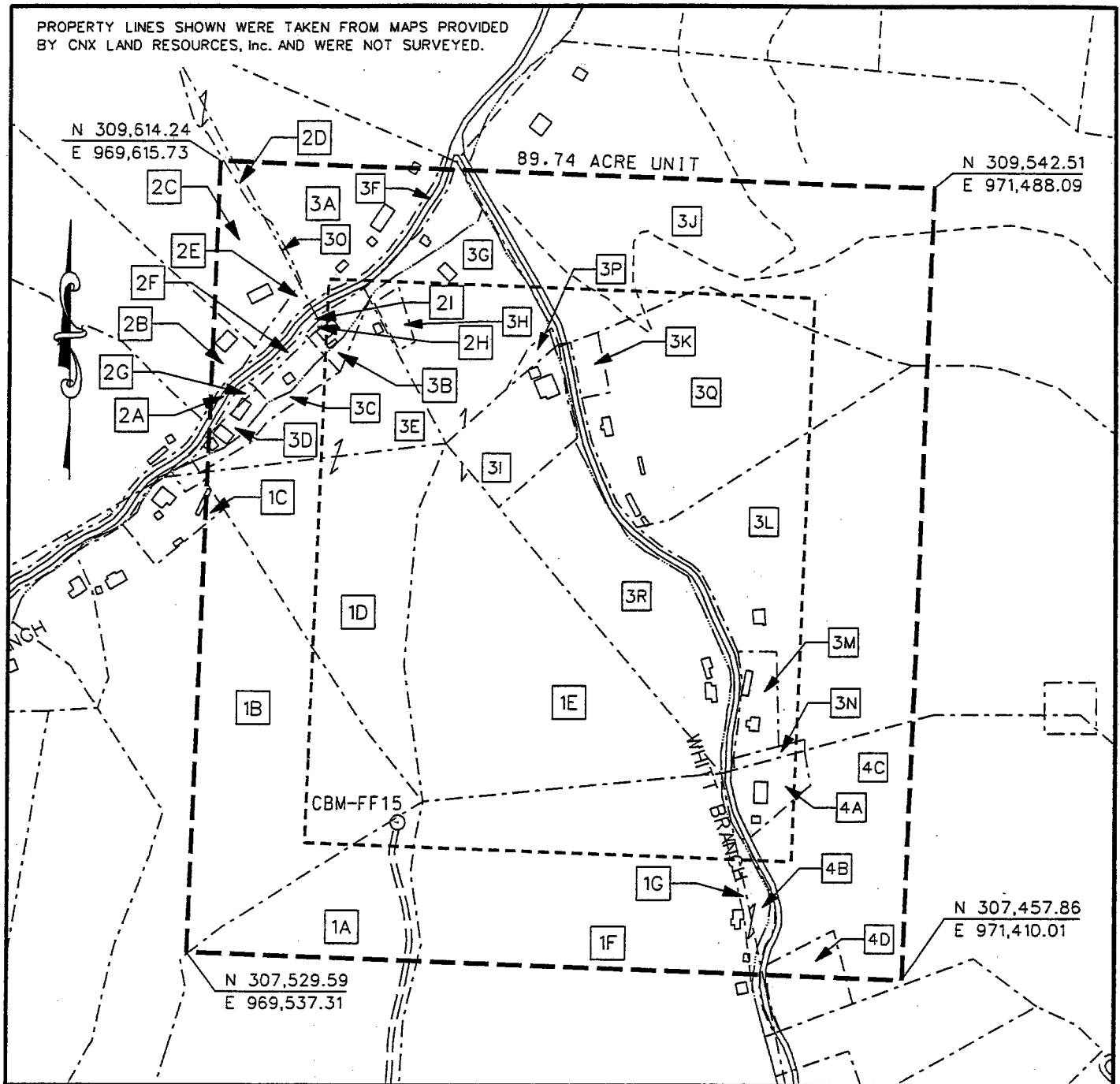
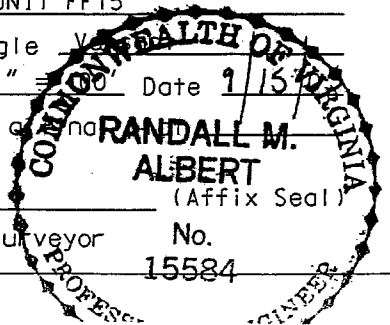


EXHIBIT A
OAKWOOD FIELD
UNIT FF-15
FORCE POOLING
VGOB-05-1018-1511

Company CNX Gas Company LLC Well Name and Number UNIT FF15
Tract No. _____ Elevation _____ Quadrangle V
County Buchanan District Hurricane Scale: 1" = 100' Date 1/15/2000
This plat is a new plat X ; an updated plat _____ ; or a renewal

Form DGO-GO-7
Rev. 9/91

Randall M. Albert
Licensed Professional Engineer or Licensed Land Surveyor



CNX Gas Company LLC

UNIT FF-15

**Tract Identifications
(89.74 Acre Unit)**

- 1A. Harrison-Wyatt, LLC. Big Axe Tr. 3 (318 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
CNX Gas Company LLC Surface and All Minerals except Coal
2.89 acres 3.2204%
- 1B. Harrison-Wyatt, LLC. Big Axe Tr. 3 (318 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
Herman L. Hess, et al – Surface and All Minerals except Coal
CNX Gas Company LLC – Oil, Gas and CBM Leased
8.11 acres 9.0372%
- 1C. Harrison-Wyatt, LLC. Big Axe Tr. 3 (318 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
Luther Street, et ux – Surface and All Minerals except Coal
0.02 acres 0.0223%
- 1D. Harrison-Wyatt, LLC. Big Axe Tr. 3 (318 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
Hobert Street, et ux – Surface and All Minerals except Coal
CNX Gas Company LLC – Oil, Gas and CBM Leased
6.31 acres 7.0314%
- 1E. Harrison-Wyatt, LLC. Big Axe Tr. 3 (318 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
Sylvia Rose, et al – Surface and All Minerals except Coal
CNX Gas Company LLC – Oil, Gas and CBM Leased
9.45 acres 10.5304%
- 1F. Harrison-Wyatt, LLC. Big Axe Tr. 3 (318 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
Kenneth W. Street, et ux – Surface and All Minerals except Coal
9.12 acres 10.1627%

le

CNX Gas Company LLC

UNIT FF-15

Tract Identifications

(89.74 Acre Unit)

- 1G. Harrison-Wyatt, LLC. Big Axe Tr. 3 (318 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – CBM Leased
Kenneth W. Street, et ux – Surface and All Minerals except Coal
0.18 acres 0.2006%
2. Harrison-Wyatt, LLC. Big Axe Tract 9 (400 Acre Tract) – All Minerals
Island Creek Coal Company/Consol Energy, Inc. - Coal Below Drainage Leased
Jewell Smokeless Coal Corporation - Coal Above Jawbone Seam Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
2.55 acres 2.8415%
- 2A. Commonwealth of Virginia - Surface
2B. Macie E. Beck, et vir - Surface
2C. Harlis W. Keen, et ux – Surface
2D. Danny Street, et al - Surface
2E. Commonwealth of Virginia – Surface
2F. Unknown Surface Owner
2G. Unknown Surface Owner
2H. Unknown Surface Owner
2I. Unknown Surface Owner
3. Buckhorn Coal Mining (H.C. Stuart 425 Acre Tract) – All Minerals
Reserve Coal Properties Company - Below Tiller Coal Leased
Knox Creek Coal Corporation – Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
45.07 acres 50.2229%
- 3A. Hobert Street, et ux - Surface
3B. CNX Gas Company LLC- Surface
3C. Hobert Street, et ux – Surface
3D. Unknown Surface Owner
3E. Hobert Street, et ux –
3F. Commonwealth of Virginia - Surface
3G. Unknown Surface Owner
3H. Unknown Surface Owner
3I. Unknown Surface Owner
3J. Unknown Surface Owner
3K. Unknown Surface Owner
3L. Unknown Surface Owner
3M. Unknown Surface Owner
3N. Unknown Surface Owner
3O. Harlis W. Keen, et ux - Surface
3P. Unknown Surface Owner
3Q. Unknown Surface Owner

CNX Gas Company LLC

UNIT FF-15

Tract Identifications

(89.74 Acre Unit)

- 4. **Buckhorn Coal Company (H. C. Stuart 125 Acre Tract) – All Minerals**
 Knox Creek Coal Corporation – Coal Above Drainage Seams Leased
 CNX Gas Company LLC – Oil, Gas and CBM Leased
 6.04 acres 6.7306%

- 4A. **Unknown Surface Owner**
- 4B. **Kenneth Street, et ux – Surface**
- 4C. **Jerry L. Smith, et ux - Surface**
- 4D. **Unknown Surface Owner**

Exhibit B-3
Unit FF-15
Docket #VGOB 05-1018-1511
List of Unleased Owners/Claimants
(89.74 Acre Unit)

	Acres in Unit	Percent of Unit
<hr/>		
II. <u>OIL & GAS FEE OWNERSHIP</u>		
<u>Tract #1F - 9.12 acres</u>		
(1) Kenneth W. Street, et ux. HC65 Box 22 Rowe, VA 24646	9.12 acres	10.1627%
<u>Tract #1G - 0.18 acres</u>		
(1) Kenneth W. Street, et ux. HC65 Box 22 Rowe, VA 24646	0.18 acres	0.2006%

Exhibit E
Unit FF-15
Docket #VGOB 05-1018-1511
List of Conflicting Owners/Claimants that require escrow
(89.74 Acre Unit)

	Acres in Unit	Percent of Unit
<u>Tract #1A - 2.89 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC, Tr.3 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	2.89 acres	3.2204%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605	2.89 acres	3.2204%
<u>Tract #1B - 8.11 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC, Tr.3 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	8.11 acres	9.0372%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Herman L. Hess, et al. HC65 Box 8 Rowe, VA 24646	8.11 acres	9.0372%
<u>Tract #1D - 6.31 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC, Tr.3 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	6.31 acres	7.0314%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Hobert Street, et ux. HC65 Box 18 Rowe, VA 24646	6.31 acres	7.0314%
<u>Tract #1F - 9.12 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC, Tr.3 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	9.12 acres	10.1627%

Exhibit E
Unit FF-15
Docket #VGOB 05-1018-1511
List of Conflicting Owners/Claimants that require escrow
(89.74 Acre Unit)

	Acres in Unit	Percent of Unit
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Kenneth W. Street, et ux. HC65 Box 22 Rowe, VA 24646	9.12 acres	10.1627%
<u>Tract #1G - 0.18 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC, Tr.3 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	0.18 acres	0.2006%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Kenneth W. Street, et ux. HC65 Box 22 Rowe, VA 24646	0.18 acres	0.2006%

//

Exhibit EE
Unit FF-15
Docket #VGOB 05-1018-1511
List of Conflicting Owners/Claimants with Royalty Split Agreements
(89.74 Acre Unit)

	Acres in Unit	Percent of Unit
<u>Tract #1C - 0.02 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC, Tr.3 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	0.02 acres	0.0223%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Luther Street, et ux. Star Route Box 11 Rowe, VA 24646	0.02 acres	0.0223%
<u>Tract #1E - 9.45 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, LLC, Tr.3 c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	9.45 acres	10.5304%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Sylvia Rose, et al.	9.45 acres	10.5304%
(a) Sylvia & Carlos Rose HC65 Box 7 Rowe, VA 24646	9.45 acres <i>Life Estate</i>	10.5304%
Note: Her children requests that all royalty payments be paid to their mother Sylvia		
(b) James Douglas Shortridge HC65 Box 7 Rowe, VA 24646	<i>Life Estate</i>	
(c) Scotty Cantrell P.O. Box 2463 Lebanon, VA 24266	4.73 acres 1/2 of 9.45 acres	5.2652%
(d) Jennifer Faith Cantrell P.O. Box 2463 Lebanon, VA 24266	4.73 acres 1/2 of 9.45 acres	5.2652%

INSTRUMENT #090002588
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
AUGUST 27, 2009 AT 12:42PM

BEVERLY S. TILLER, CLERK
RECORDED BY: NKE